

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability what so ever for any loss how so ever arising from or in reliance up on the whole or any part of the contents of this announcement.*



**CHINA SHIPPING DEVELOPMENT COMPANY LIMITED**  
**中海發展股份有限公司**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1138)**

**POSITIVE PROFIT ALERT**

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board is pleased to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2016, the Group expects its net profit attributable to the equity holders of the Company for the six months ended 30 June 2016 to be a significant increase of approximately 100% to 150% as compared to a net profit of approximately RMB837 million (equivalent to approximately HK\$976 million) attributable to the equity holders of the Company for the same six months ended 30 June 2015.

The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2016 currently available to the Company, which have not been reviewed or confirmed by the Company's audit committee, and have not been reviewed or audited by the Company's auditors.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the interim results announcement of the Company for the six months ended 30 June 2016 which is expected to be announced in August 2016.**

This announcement is made pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of China Shipping Development Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2016, the Group expects its net profit attributable to the equity holders of the Company for the six months ended 30 June 2016 to be a significant increase of approximately 100% to 150% of profits as compared to a net profit of approximately RMB837 million (equivalent to approximately HK\$976 million) attributable to the equity holders of the Company for the same six months ended 30 June 2015.

The net profit attributable to the equity holders of the Company for the six months ended 30 June 2015 was RMB299 million (equivalent to approximately HK\$349 million) before adjustment. In light of the major asset restructuring of the Group as the Group has acquired a wholly-owned subsidiary (Dalian Ocean Shipping Company Limited (“**Dalian Ocean**”)) of the Company’s ultimate controlling shareholder in the first six months of 2016 (further details of which are set out in the Company’s circular dated 22 April 2016), applicable adjustments were made to the Group’s net profit attributable to the equity holders of the Company for the six months ended 30 June 2015 (the adjusted figure of the same being RMB837 million). Dalian Ocean’s contribution to the net profit attributable to the equity holders of the Company for the six months ended 30 June 2015 is approximately RMB538 million (equivalent to approximately HK\$627 million), and the adjusted basic earnings per share of the Group for the same period is RMB0.2105 (equivalent to approximately HK\$0.2455).

The remarkable improvement on profitability of the Group was mainly attributable to the following factors: (1) the proceeds of sale of the Group’s direct wholly-owned subsidiary, China Shipping Bulk Carrier Co., Limited, which specializes in dry bulk shipping business; and (2) the Group’s enhanced cost control measures, in particular the effective control on fuel costs.

The information in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2016 currently available to the Company and which have not been reviewed or confirmed by the Company's audit committee, and have not been reviewed or audited by the Company's auditors. Further details of the Group's performance will be disclosed in the Group's interim results for the six months ended 30 June 2016 to be published by the Group.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the interim results announcement of the Company for the six months ended 30 June 2016 which is expected to be announced in August 2016.**

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules. The Company's A Shares are listed on the Shanghai Stock Exchange, and it has been requested by the Shanghai Stock Exchange to make an announcement similar to this announcement.

By Order of the Board of Directors  
**China Shipping Development Company Limited**  
**Yao Qiaohong**  
*Company secretary*

Shanghai, the People's Republic of China

29 July 2016

*The exchange rate adopted in this announcement for illustration purpose only is HK\$1.00 = RMB0.8575 . Such conversion should not be construed as a representation that the currency could actually be converted into HK\$ at that rate or at all.*

*As at the date of this announcement, the board of directors of the Company comprises Mr. Sun Jiakang, Mr. Huang Xiaowen, Mr. Ding Nong, Mr. Yu Zenggang, Mr. Yang Jigui, Mr. Han Jun and Mr. Qiu Guoxuan as executive Directors, Mr. Wang Wusheng, Mr. Ruan Yongping, Mr. Ip Sing Chi, Mr. Rui Meng and Mr. Teo Siong Seng as independent non-executive Directors.*